

ABSTRACT

This study aims to analyze the influence of anti-fraud strategy and individual morality on the effectiveness of fraud prevention in the banking sector, as well as to examine the role of morality as a moderating variable in the relationship between anti-fraud strategy and fraud prevention effectiveness. The research adopts a quantitative approach using the Partial Least Squares Structural Equation Modeling (PLS-SEM) method, based on data from 155 respondents who are bank employees in the city of Salatiga. The results indicate that the anti-fraud strategy has a positive and significant effect on the effectiveness of fraud prevention. The investigation, reporting, and sanction pillar is the most dominant factor, followed by the prevention pillar. In contrast, individual morality does not have a significant effect on fraud prevention effectiveness, and there is no moderating effect of morality on the relationship between anti-fraud strategy and fraud prevention effectiveness. These findings highlight the importance of strengthening anti-fraud strategies comprehensively, particularly in aspects that are still suboptimal, such as the detection pillar and the monitoring, evaluation, and follow-up pillar. The implications of this research encourage the banking industry to focus on enhancing internal control systems, especially in the technical implementation at the operational level that directly detects and addresses potential fraud.

Keywords: anti-fraud strategy, banking, fraud prevention effectiveness, moderating, morality.